

CHC Resources Corporation

November 24, 2021

Outline

Company Overview

Financial Overview

Operational Prospects



Company Overview

Vision

- Commit to resources sustainability and value innovation
- Become an excellent enterprise of Circular Economy

Resources Sustainability Concept

- **Reduce**- Energy saving and waste reduction
- **Reuse**- Make the best use of it
- **Recycle**- Recycling
- **Recovery**- Resources innovation

Main Business



GBFS Cement Business



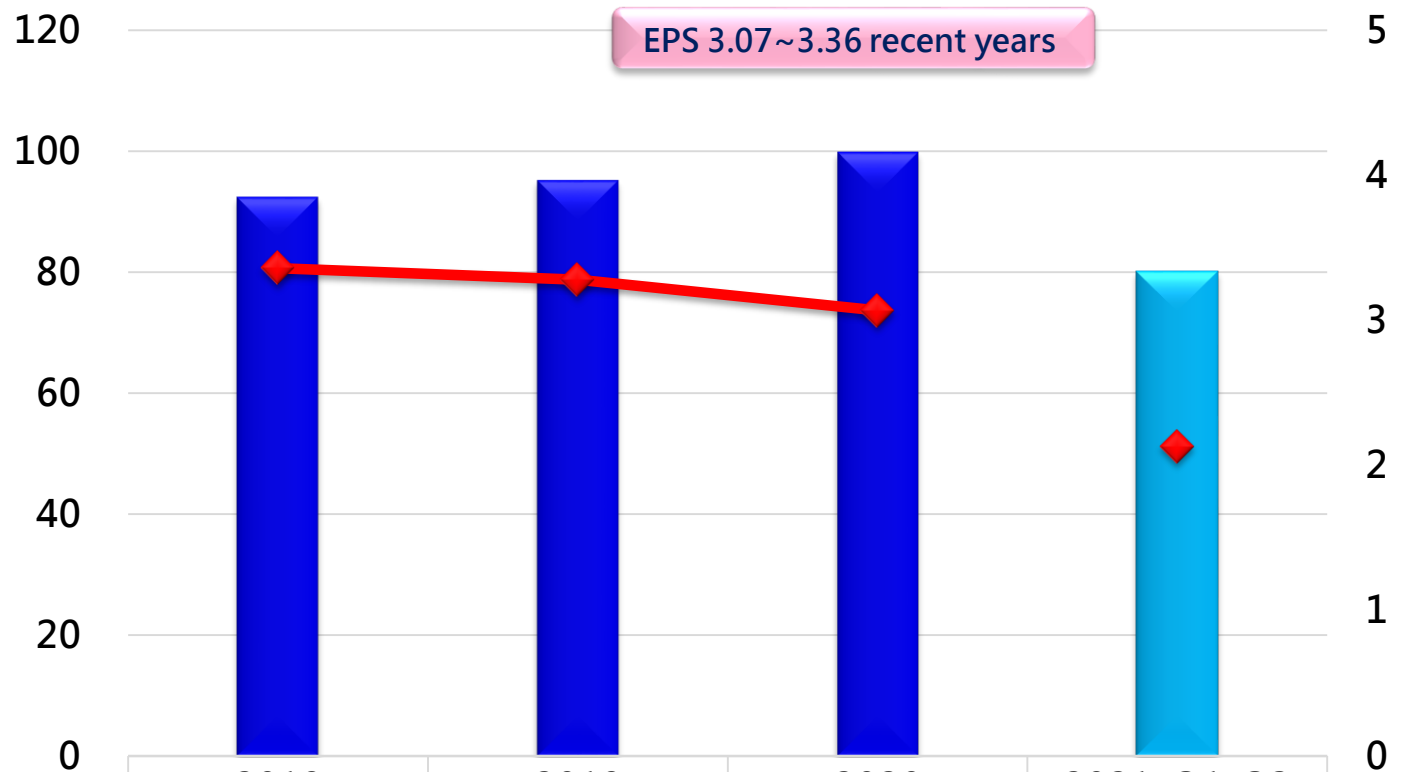
Resource Reutilization Business

Financial Overview

Consolidated Revenue & EPS

NTD 100million

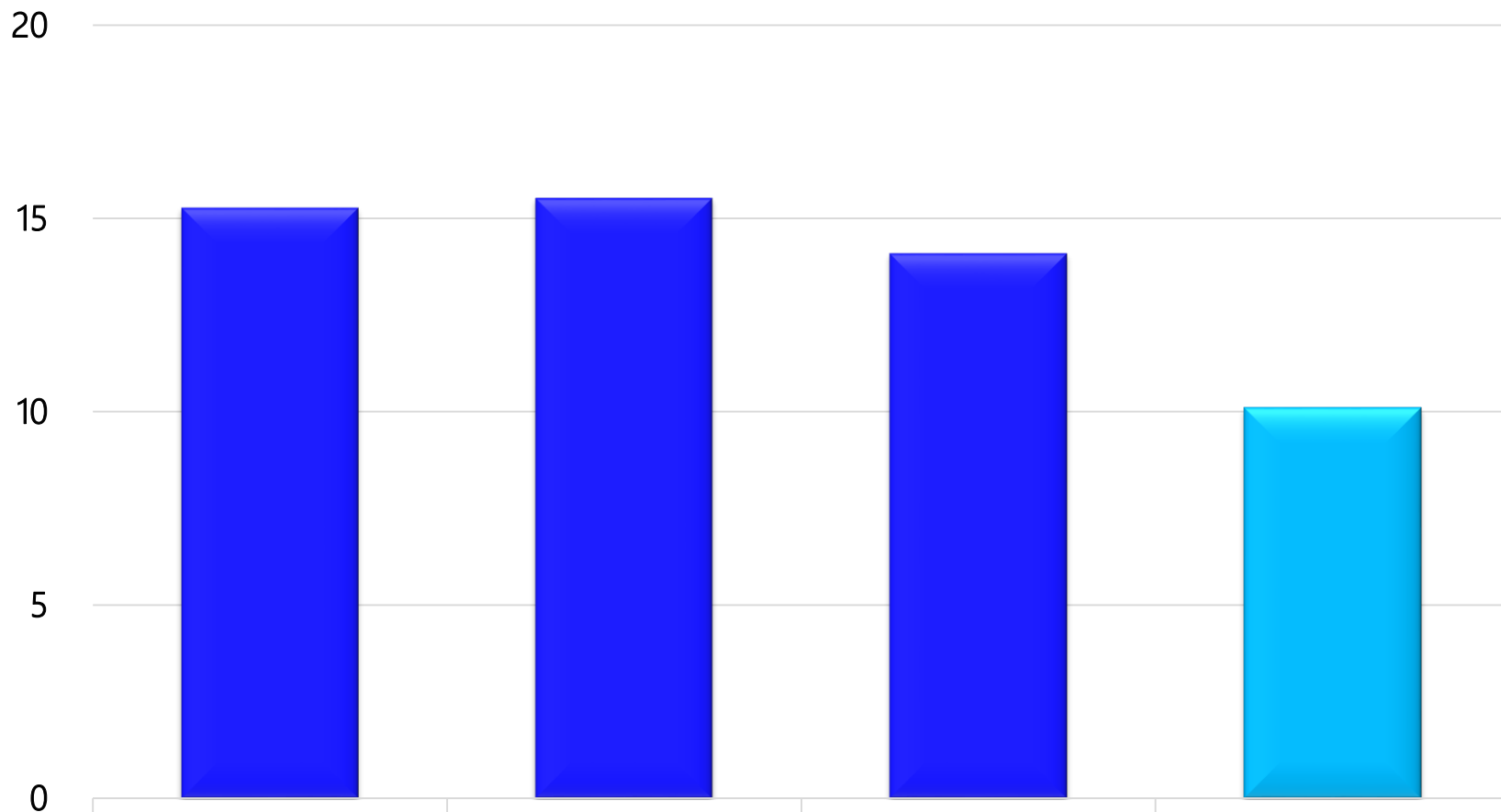
NTD per share



Consolidated Revenue	92.3	95.1	99.7	80.1
EPS	3.36	3.28	3.07	2.13

Gross Profit

NTD 100million



■ Gross Profit

2018

15.3

2019

15.5

2020

14.1

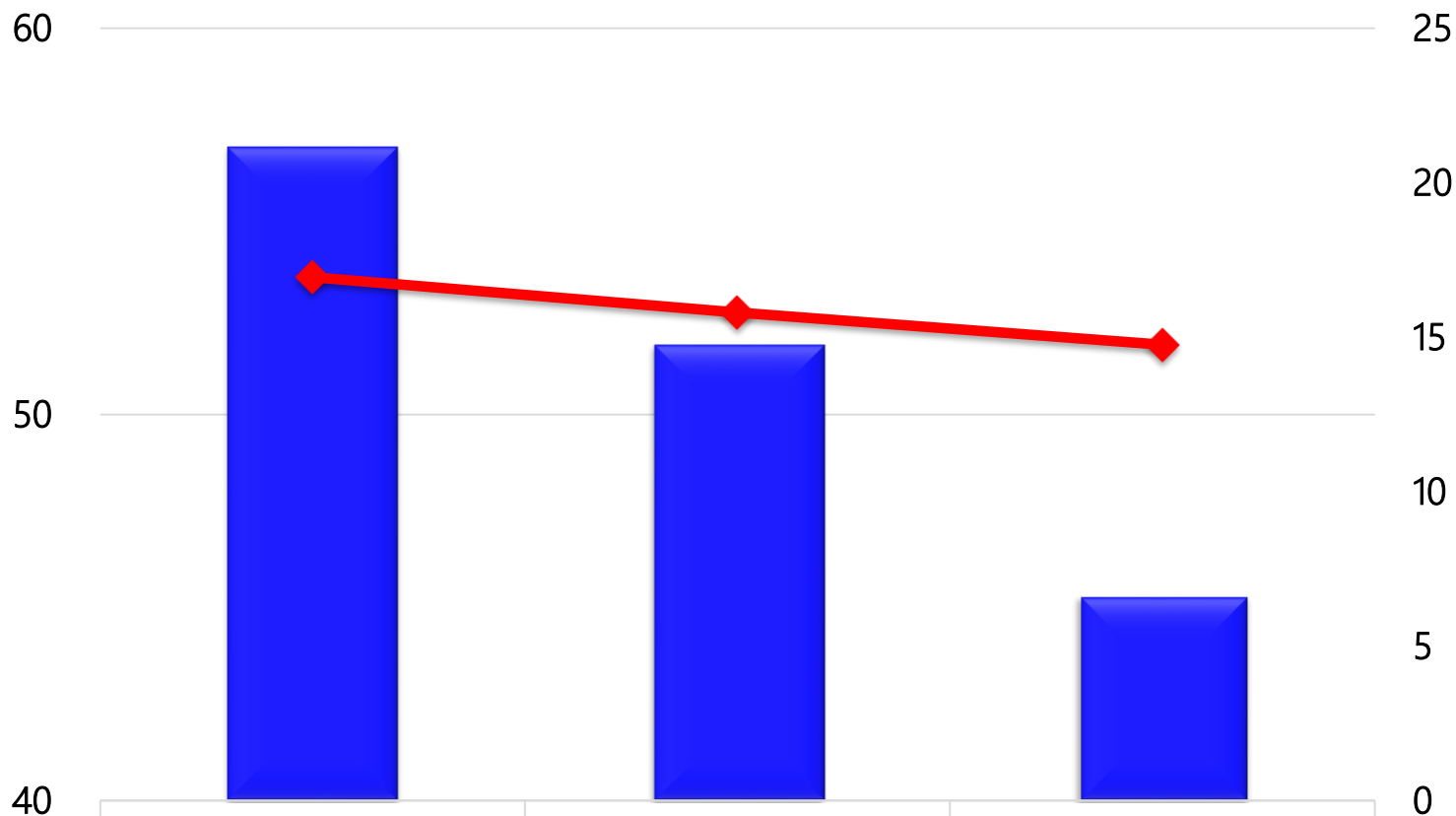
2021 Q1-Q3

10.1

Stock Price & PE Ratio

NTD per share

PE Ratio



Stock Price(average)

PE Ratio

Main Financial Index

In recent years, many major investments have led to an increase in debts ratio.

%
100.0

80.0

60.0

40.0

20.0

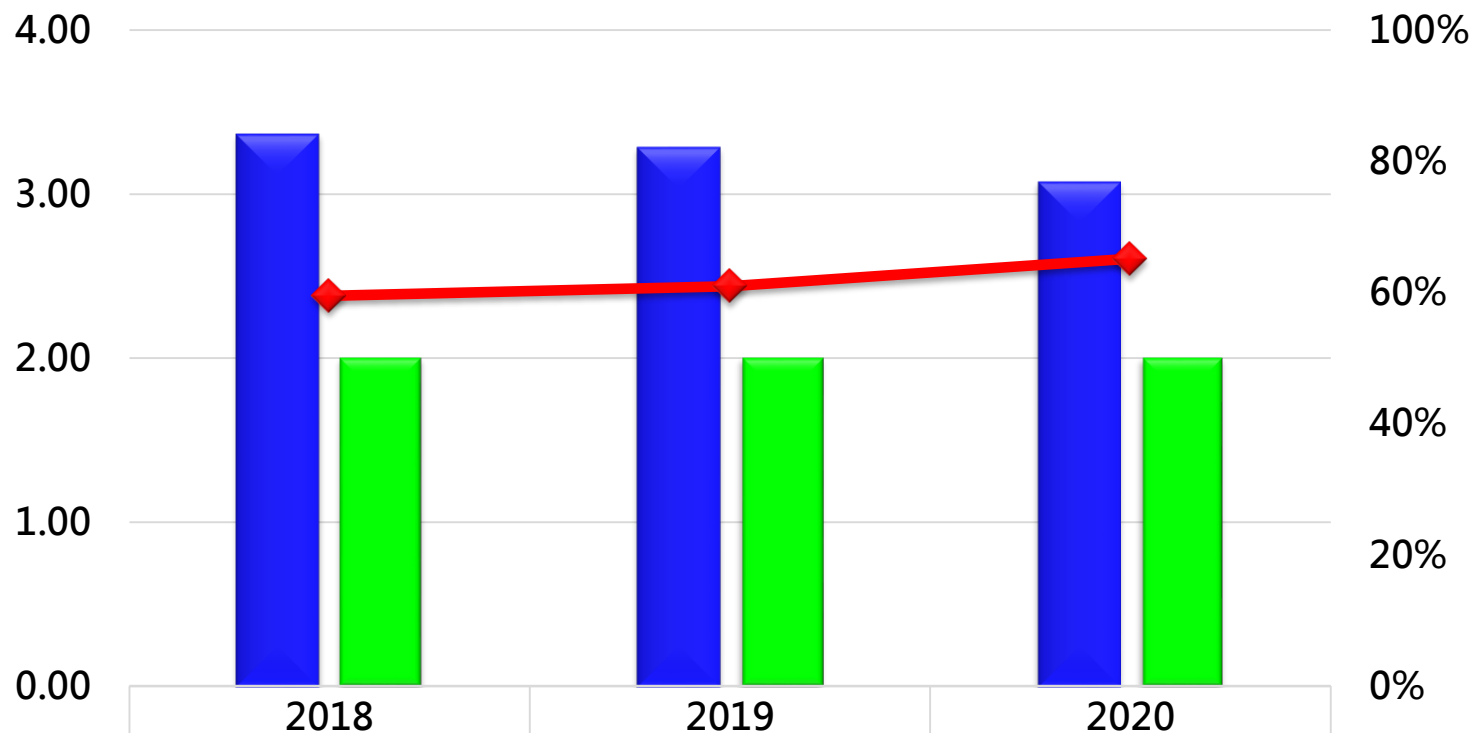
0.0

	2018	2019	2020	2021 Q1-Q3
◆ Debts Ratio	46.5	54.8	57.8	56.6
◆ ROA	10.1	8.2	6.5	4.3
◆ ROE	18.0	16.0	14.2	9.4

EPS & Dividend

NTD per share

Dividend payout ratio



EPS	3.36	3.28	3.07
Dividend	2.0	2.0	2.0
Dividend payout ratio	60%	61%	65%

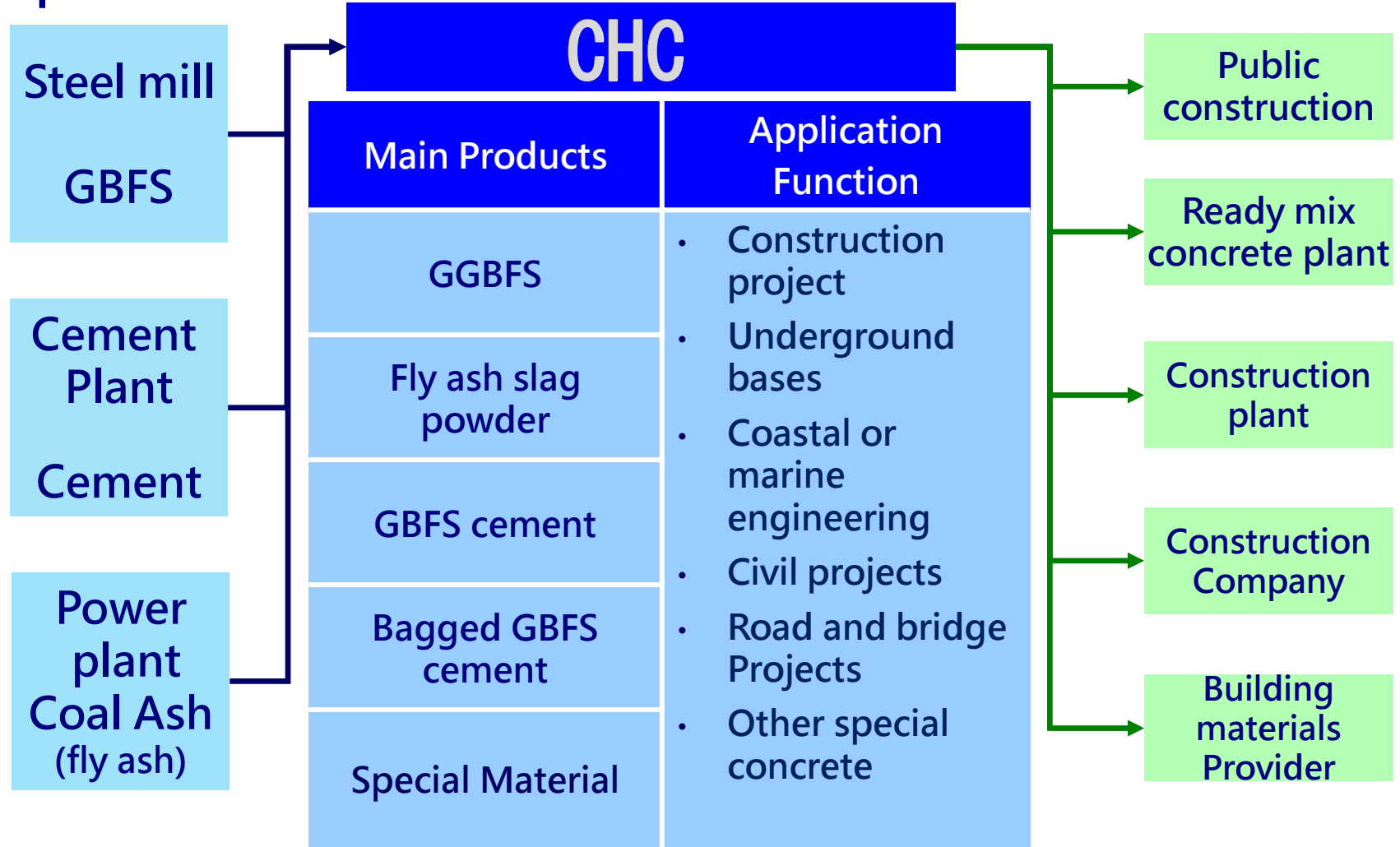
Operational Prospects

GBFS Cement Business

Upstream

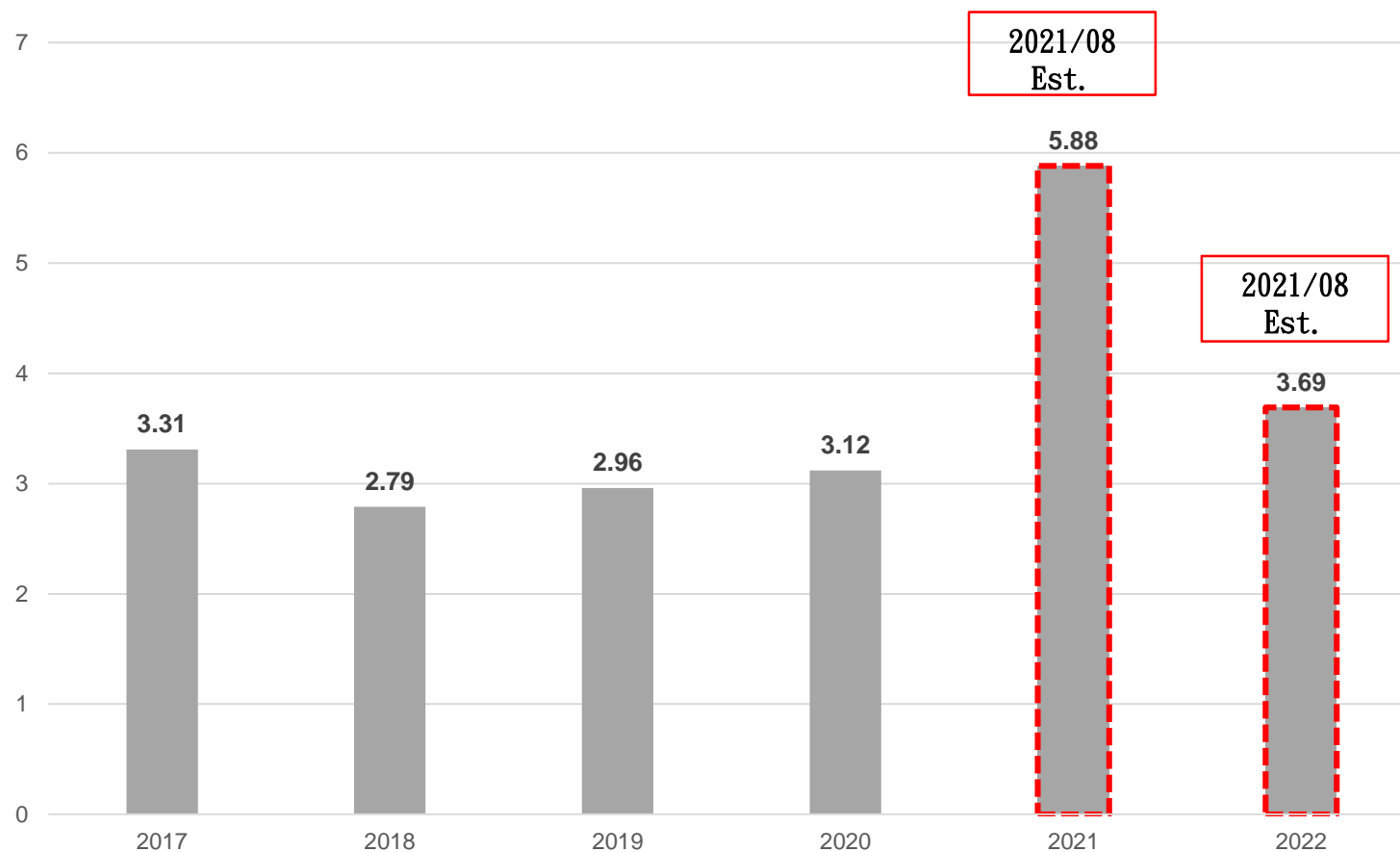
Midstream

Downstream



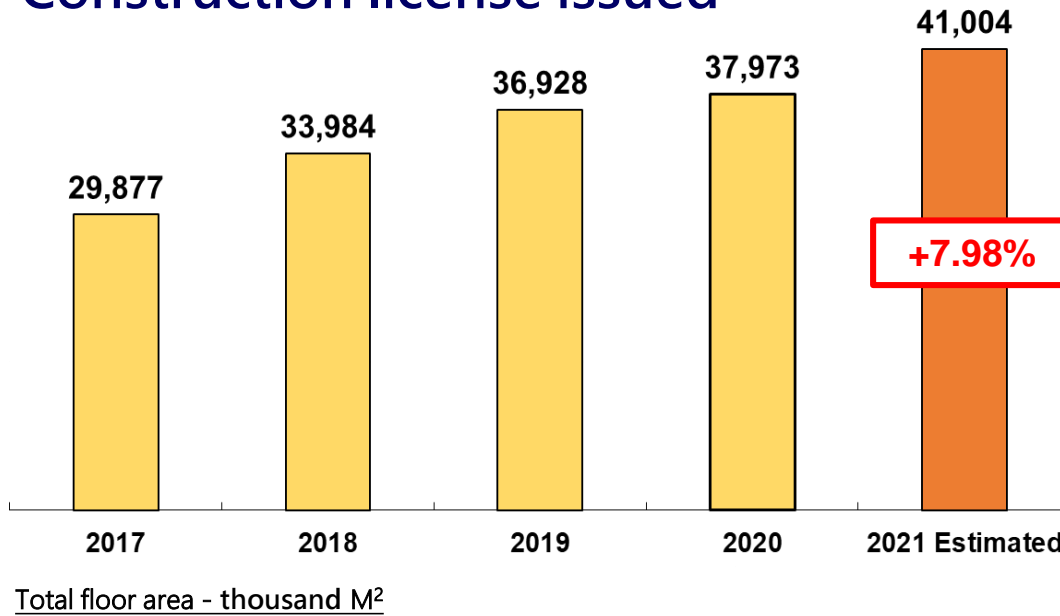
Operational Prospects

Domestic Market-Economic growth rate

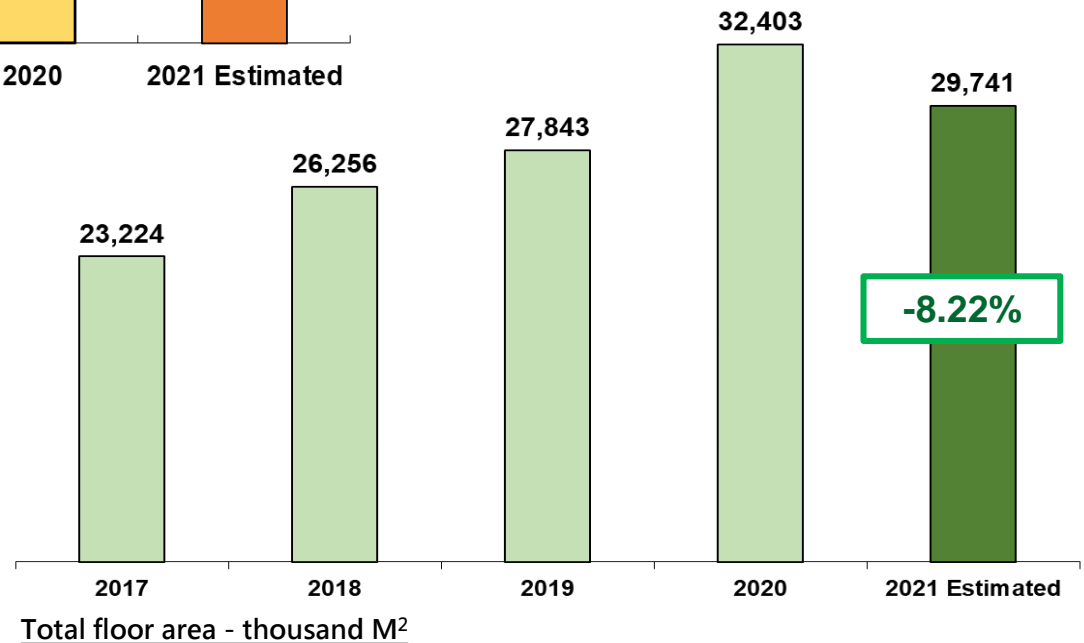


(Source: Directorate General of Budget, Accounting and Statistics)

Domestic Market- Construction license issued



Operation statistics



(2017-2020 source : Construction and Planning Agency)

Domestic Market – Infrastructures Budget

NTD 100million

Item		2021	2022(Draft)	Difference			
Public construction plan		1,324	1,466	+142(+10.7%)			
The special budget for the Forward-Looking Infrastructure Project		1,041	857	-184(-17.7%)			
Planned public construction by the budget of subsidiary units of operation and non-operation special funding		2,975	2,273	-702(-23.6%)			
Total		5,340	4,596	-744(-13.9%)			
Economy and energy	Transportation and construction	Environmental resources	Agricultural construction	Health benefits	Urban development	educational facility	Cultural facilities
1,567	1,441	754	331	165	142	102	94

Note : Black means " Higher than 2021" Red means " Lower than 2021"

(Source: Directorate General of Budget, Accounting and Statistics)

Domestic Market - Large Construction Projects



Energy Industry



Semiconductor Industry



Electronics Industry



Harbor Engineering



Traffic Construction



Green Energy Industry

The promotion of public constructions and Large-scale construction projects will bring the positive effects on our corporate operation.

Domestic Market Prospects

■ Demand :

- According to the aforementioned market statistics, such as, macroeconomic indicators, the issuance of construction licenses, growth of public construction budgets; it could be expected that the demands of Ground Granulated Blast Furnace Slag(GGBFS) domestic market will maintain steadily till the end of 2022.
- In recent years, Energy-Saving and Carbon-Reduction, and Carbon-Neutrality have become such an international trend; Taiwanese Green-Building policy has also been gradually implemented. Therefore, the demand for low-energy-consumption construction materials "Ground Granulated Blast Furnace Slag(GGBFS) " is expected to increase.

■ Supply :

- Some of the domestic competitors' expansion plans have commenced implementation, which increase market uncertainty.
- International shipping freight have repeatedly hit record highs since 2021, causing the company and the domestic competitors increasing import costs. This phenomenon may have an impact on domestic supply in 2022.

Domestic Market Prospects

■ Goal in Future :

- Establish long-term cooperative relationships with overseas suppliers to stabilize the source of GBFS and strengthen our supply stability of GGBFS.
- Strictly execute quality management to strengthen quality stability for consolidating long-term relationship with customers.
- Enhance the positive performance of the company's eco-friendly products for Energy-Saving and Carbon-Reduction in the construction industry.

Overseas Market – South Vietnam Grinding Plant Operation

Capacity 1 Million Tons / year

Source of Raw Material Formosa Ha Tinh Steel

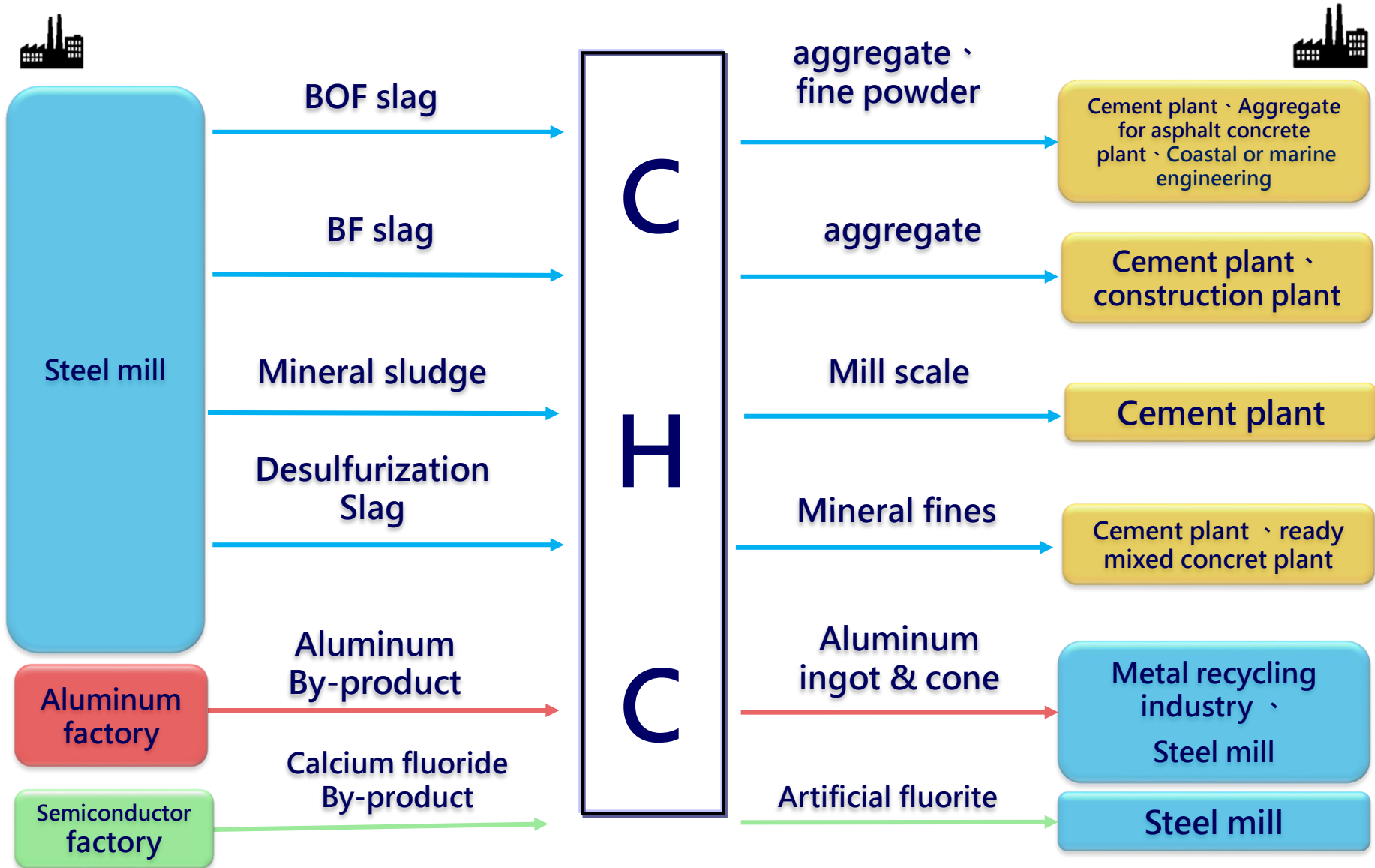
Target Customers South Vietnam

Operation / Prospect

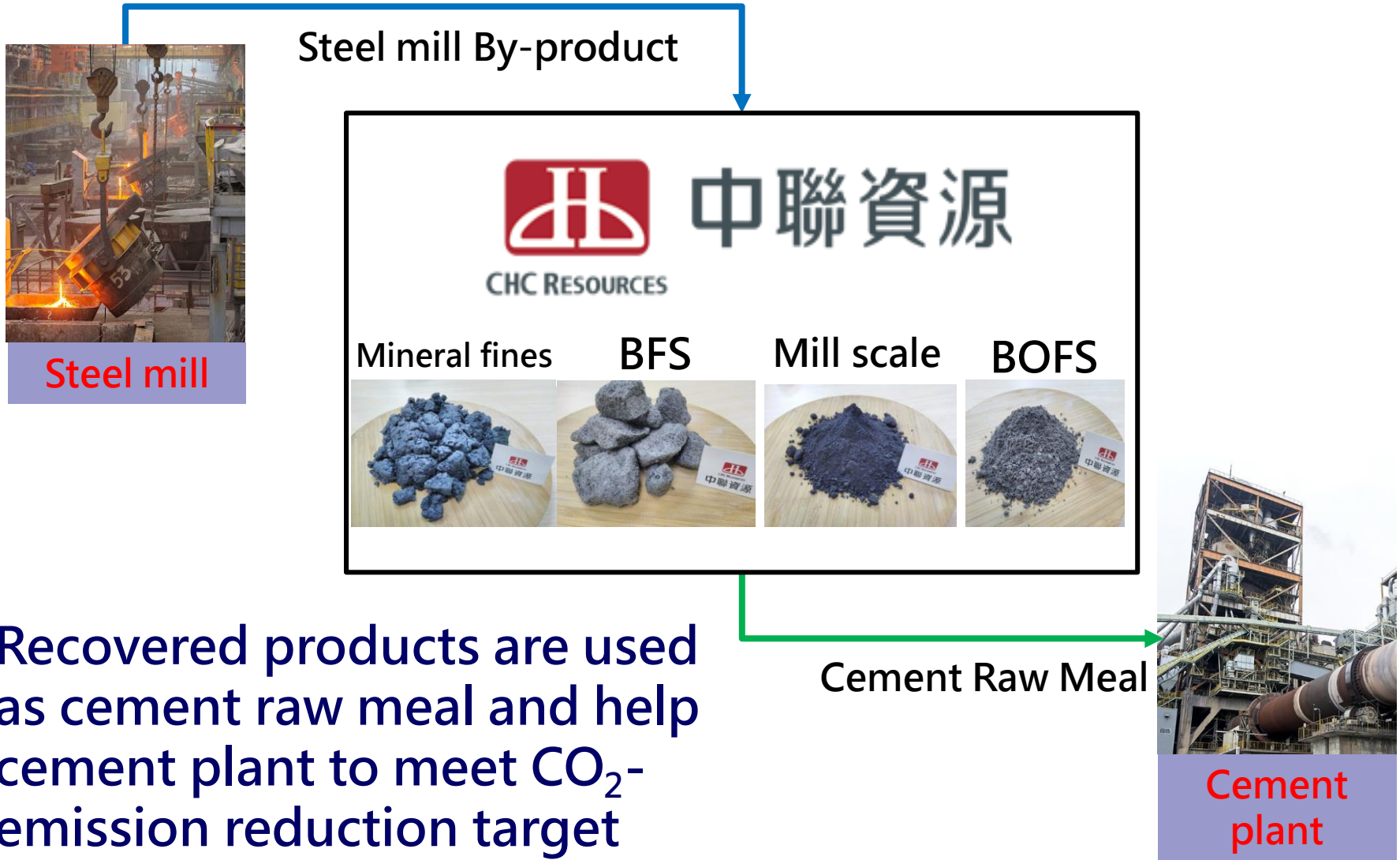
- The construction project was completed in June 2021. In the second half of 2021, Covid-19 severely impacted the market promotion. In the last few days, the epidemic spread gradually slowdown; the market will be much more developed in 2022.
- Vietnam Economic Prospect in 2022: With both FDI and exports increasing, the IMF predicts that Vietnam's economic growth rate in 2022 will be 6.6%.



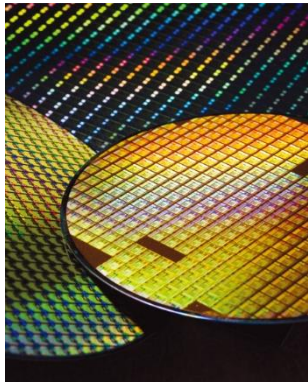
Resource Reutilization Business



Create Circular Economy Value Cross Industries



Create Circular Economy Value Cross Industries



Semiconductor factory

Calcium fluoride By-product



Aluminum factory

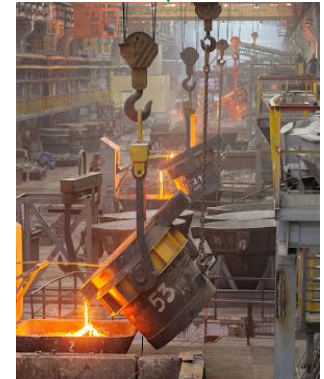
Aluminum By-product

 **中聯資源**
CHC RESOURCES

Artificial fluorite Aluminum cone



Steelmaking raw materials



Steel mill

Reduce natural raw material mining and promote circular economy

Verification of the Circular Economy

The business model “The Utilization of BOF Slags in Raw Meal” is verified as **Optimizing grade of BS 8001**

The products to be applied for verification are as follows :



項次	項目
1	The Utilization of Mineral Fines in Raw Meal
2	GGBFS
3	The Utilization of Aluminum slag
4	The Utilization of BOF Slags in Land Reclamation
5	The Utilization of Calcium Fluoride Sludge in Artificial fluorite
6	The Utilization of Mill Scale in Raw Meal

Vision

Commit to Resources Sustainability and Value Innovation

Become an Excellent Enterprise of Circular Economy



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